

North Sunflower Medical Center
Board of Trustees
Regular Meeting Minutes
24 June 2020

BE IT REMEMBERED that the Chairman and the Board of Trustees of North Sunflower Medical Center, Ruleville, Sunflower County, Mississippi, met in their Regular Meeting on Wednesday, 24 June 2020, when and where the following were present:

Billy Joe Waldrup, Chairman and Trustee; H. T. Miller, III, Vice Chairman and Trustee; Bobbie Bounds Allen, Secretary and Trustee; Willie M. Burton and Phil McNeer, Trustees; Billy Marlow, Executive Director; Daniel Ceja, CEO; Sam Miller, COO; Rodney Clark CAO; Jennifer Baughman, Accounting Director; Arie Chandler, Administrative Assistant; Sandra Britt, Administrative Assistant; and Lawson Holladay, Esquire.

Mr. Waldrup called the meeting of the Board of Trustees to order at noon and asked Arie Chandler to open the meeting with a word of prayer. The minutes of the 27 May 2020 Regular Board Meeting were approved as distributed by motion offered by Mr. Burton and seconded by Mr. Miller and unanimously approved.

The first order of New Business was for the Board of Trustees to review the proposed budget for Fiscal Year 2021 that will be presented in writing to the Board of Supervisors for their approval. After discussion, the following motion was made:

MOTION: I move to approve the Budget for Fiscal Year 2021 and that it be mailed to the Sunflower County Board of Supervisors prior to their July meeting.

Maker: Phil McNeer

Secunder: Willie Burton

Motion Unanimously Adopted

The next order of New Business was to review the renewal quotes for General and Professional Liability Insurance from HPICO (the Incumbent carrier) and LAMMICO Risk Retention Group, Inc. (presented by Hub International and Tollison Insurance Agency). Arie Chandler reported that all coverage limits were the same across the board for both quotes. The Professional Liability coverage limits are \$500,000 for each medical incident and \$1.5 Million Aggregate with a \$25,000 deductible. The General Liability coverage limits are also \$500,000 per each occurrence and \$1.5 Million aggregate with a \$25,000 deductible. Aggregate fire damage coverage is \$50,000; patient property coverage is \$1,000 per each incident and \$10,000 aggregate; Personal and advertising injury limits are \$500,000 per each occurrence and \$1.5 Million aggregate; Employee Benefits Liability limits are \$500,000 per each medical incident and \$1.5 Million aggregate with a \$1,000 deductible; Medical payments have a \$5,000 aggregate limit; and terrorism coverage is included. It was explained to the Board that the Total Premium proposed by HPICO was \$280,615.46 which is a decrease from last year's premium. HPICO also issued NSMC an equity return of \$175,390 in May. It was explained to the Board that while the equity return is typically deducted from the GL/PL premium it was issued early this year due to the financial difficulties hospitals are facing because of COVID-19. The total premium proposed by LAMMICO Risk Retention Group, Inc. was \$149,572.00. The payment options offered by both carriers were annual, quarterly, or monthly. After review, the Board of Trustees felt that HPICO's proposal was the best due to the decrease in premium and the equity return received therefore the following motion was made:

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MOTION: I move to accept the General and Professional Liability proposal from HPICO for the 2020-2021 premium year and that the total premium of \$280,615.46 be paid quarterly with 25% down and three installments with interest.

Maker: Phil McNeer

Second: Bobbie Bounds Allen

Motion Unanimously Adopted

The next order of New Business was to review the Initial Credentialing application for Leland Dwight Husband, Jr, M.D. Dr. Husband will provide Tele-Radiology services through Premier Radiology Group. The applicant's education and training, professional references, and license were verified, and queries from the National Practitioner Data Bank and the OIG were reviewed. Their initial term will be for a period of one year at which time he will be permitted to apply for a two-year term. The application and additional information was carefully reviewed and after discussion the following motion was made:

MOTION: I move to approve the initial appointment and Consulting Tele-Radiology privileges requests of Leland Dwight Husband, Jr., MD for a period of one year ending 30 June 2021 and at that time he be permitted to apply for a two-year term.

Maker: H.T. Miller, III

Second: Phil McNeer

Motion Unanimously Adopted

Next under New Business was to review the Re-appointment applications for one Physician and four Allied Health Professionals for two year terms. The applications and Data Bank queries of all Providers were reviewed and discussed and the following motion was made:

MOTION: I move to accept the re-appointment applications for Walter Moses, III, D.M.D. (Oral & Maxillofacial Surgeon); Laura Billingsley, CRNA (PRN/Contract with Willow Anesthesia Group); Robert Cox, FNP-C (Full Time Provider at the Sunflower Rural Health Clinic); Heidi Compton, FNP-C (Full Time employee); and Liz Evans, AGPCNP (Full Time Employee) and that they each be approved for a two year term ending 30 June 2022.

Maker: Bobbie Bounds Allen

Second: Willie Burton

Motion Unanimously Adopted

The last order of New Business was for the Board to review and approve the Lease Agreement for Haire Drug Center, LLC. Mr. Marlow reported that it will be a 96 month Lease at \$4000 per month and one last payment of \$3,000, all subject to a credit of \$1,000 against the monthly base rent for making improvements to the Pharmacy. After discussion, the following motion was made:

MOTION: I move to approve the Haire Drug Center, LLC Lease agreement with final details to be determined by Billy Marlow, Executive Director and Daniel Ceja, CEO.

Maker: Phil McNeer

Second: Willie Burton

Motion Unanimously Adopted

At this time, Jennifer Baughman presented the financial information for May as attached to the minutes. The entire facility has a cash balance of \$21.5 Million, total assets of \$51.7 Million, and a total liabilities and fund balance of \$51.7 Million. The Hospital's Gross Revenue was \$10.6 Million for the month and \$61 Million year to date. The Hospital had a Net Income of \$3.8 Million for the month and a

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Year to Date Net Income of 3.3 Million. Jennifer reported that had we not received a \$4.5 Million stimulus payment we would have shown a \$745,643 net loss for the month. Hospice had a Net Income of \$44,563 for the month and a Year to Date Net Income of \$247,135. Sunflower Diagnostic Center had a Net loss of (\$222,119) for the month and a Year to Date Net loss of (\$198,336). Simply Sunflower had a Net Income of \$1,046 for the month and a Year to Date Net Loss of (\$4,189). Sunflower DME had a Net Income of \$39,223 for the month and a Year to Date Net Income of \$239,462. NSMC Pharmacy had a Net loss of (\$43,592) for the month and a Year to Date Net Income of \$198,060. The Rural Health Clinic had a Net loss of (\$97,679) for the month due to a decrease in the number of clinic visits which also contributes to the Net Loss in Pharmacy, and a Year to Date Net Income of \$83,731. NSMC as a whole showed a Net Income of \$3.6 Million for the month and a Year to Date Net Income of \$3.8 Million.

The Administrator's report was given as follows:

Daniel reported that the \$4.3 Million PPP Loan through the SBA was received this month. Legislation is working to have this loan forgiven but it hasn't been approved yet.

NSMC offered free COVID testing for three days in the Mexico Grill parking lot and the process went extremely well. There were 350 people tested and only ten tests resulted as positive.

Daniel reported that we plan to close the COVID Unit on July 6th and open the Senior Care Unit back up.

We are working to obtain a stock of Rapid Test Kits in case there is a surge in COVID testing when schools resume in the fall. We also have a substantial amount of facemasks and additional PPE.

Rodney Clark gave the Quality Assurance Report as follows:

As of today, there have been a total of 1,577 COVID tests done with 1,435 being negative and 142 being positive. We currently have three presumptive patients and no positive patients in Walter B Crook Nursing Facility or the Hospital. Rodney reported that when a patient tests positive for COVID they are reported to the MS State Dept. of Health and sent home to quarantine for 14 days or admitted to the hospital if necessary.

Rodney reported that we have started allowing visitors into the hospital on Tuesdays and Thursdays in 30 minute increments from 3pm-6pm. Only one family member per patient is allowed and they are screened prior to entering the hospital.

In correspondence, Arie Chandler notified the Board that the Sunflower County Board of Supervisors approved Mr. H.T. Miller, III, to serve as a Trustee for another five year term. The group offered congratulatory comments to Mr. Miller.

Upon Motion made by Phil McNeer and seconded by H.T. Miller, III, the Board adjourned at 1:19 P.M., subject to the call of the Chairman.

Billy Joe Waldrup, Chairman

Bobbie Bounds Allen, Secretary